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City of San José.
>> Mayor Reed: I would like to get started, start on time, end on time, or end early, it would also be okay. Looks like you've got a quorum. Looks like we've both got quorums. So I think the first item is to do the roll call. I'll ask our City Clerk's office to do the roll call for the council. No microphone? Well I know we have a quorum. I can count. Okay. City Clerk will take note of who's here. And I'll pass it over to the board and they can call their meeting to order however they wish.
>> Chair Kamei: I'd like to call the meeting to order for our district 4 directors. And I guess they don't have microphones either. So if you could make a note of the board members present. We have a quorum.
>> Mayor Reed: Okay, we both have a quorum. I want to welcome everybody to City Hall. Again. It's great to have these joint meetings with the water district, for seven years now. We have gone through an omnibus meeting, talking about everything mountain world to a focus a little bit, today we're focused on water issues and other issues we have in common, so many areas where our staff need to work together, and this is an annual effort to make sure we stay on a good path working together, resolving issues, not that we're always going to agree on everything, that's not required, but that we're going to work together on everything where we can. So welcome to City Hall. Coffee and doughnuts for all. Bagels, too. Rosemary.
>> Chair Kamei: Thank you, Mayor Reed. Thank you for having us here today. As you said, I totally agree, this collaborative effort we started many, many years ago has been tremendously beneficial not just for our -- both agencies but also for the community. Because we've been able to do things together, to provide services to the community, and really making our dollars stretch and go further. So I think it's been tremendously beneficial and I look forward to our continuous working relationships, in many different areas. And it certainly makes sense to do these collaborative efforts and partner in this, and look forward to much more in the future.
>> Mayor Reed: Okay, I think I'll turn this over to our City Manager, Deb Figone. I don't know if this is our first meeting in City Hall.
>> City Manager Figone: Yes, thank you Mayor, thank you, chair Kamei. I want to lend my thoughts on the importance of us getting together. The modeling going together between the council and the board really sets the tone for the staff on how we go about working through policy issues on your behalf regarding the future of water for our valley. And so the tone that is set here today will set the bar for our work as we move forward. I would like to compliment Olga Martin steele. I've had an opportunity to meet with them a couple of occasions before today. I think you're in good hands as you work through your transition and I do look forward to continuing to work with the district staff on the direction that is set for us for the next year and beyond. Thank you.
>> Chair Kamei: I am also going to have some remarks from our C.O.O, Olga Martin steele.
>> Thank you, chair Kamei. Thank you Deb Figone. This is my first meeting as CEO and it's a pleasure to be here. I'm heartened by the comments for the tone set for today's meeting. I think the importance of our working together with regards to water supply, both the short term and the long term, just can't be strongly enough stated. I want to say, and I think we all know, we've got a number of challenges facing us that make the -- make the need to work together and plan together highlighted. For one thing, you know, we're coming out of a dry year, and thus far, we're at a below-average rainfall year. It's got tremendous issues facing us coming from the whole situation with the San Joaquin Sacramento delta. Seems like it's a long way away from where we are here in San José but the fact of the matter is that we get more than half our water supply from that basin. The looming climate changes is supposed to directly change the amount of water we get each year. The day's discussion of water supply, especially with regard to water conservation, is really vital. With that, I would like to thank the mayor and the City Council, Deb Figone, and my board for their leadership in strong water policies that benefit the community and will take us into the future. With that I'd like to put it back to the mayor.
>> Mayor Reed: A little bit of housekeeping. These microphones are always on. If you want them off, you'll feed to push the button. If I have to wave at you, I will, if we can't hear you in the rest of the room. But otherwise, they're ready to go. We will start then, I think, with the City Manager doing an overview of the cumulative efforts between the city and the water district. Done that? Then we're into the presentation and discussion of the long term outlook. I was in Sacramento meeting with the governor and his staff and others on statewide water issues. They scared me pretty well. All you have to do is look at the existing conditions in the state of California with our existing water supply or our existing ability to deal with water, you don't even have to look at climate change. We're nearly in a crisis mode. The one that got

my attention the most, half of our water comes through the delta. And a single 6.1 earthquake could render the levees unavailable, filled with saltwater. As we talk about water supply for Santa Clara County, we're only one piece of the puzzle on a statewide basis because it is a statewide issue. I think -- is Keith going to go first?
>> I'm ready. If I can make sure that this mic reaches me with the podium. Before I get started on the presentation, I wanted to do a quick overview of the presentations to kind of orient you to what we're going to be doing. We will have a series of three presentations. I'm going to do the first one on water supply. It's going to have three parts. Overview of where it comes from, system, water supply 101. Try to do it in ten to 15 minutes. That will be a challenge but I'm do my best. Then next after that, we'll have a presentation on water conservation. So what I'll try and do, when -- what I'll try and do, is give some context to talk about the importance of water conservation, why it's so important. And a third presentation will be on water recycling. Kind of the feature presentation and more of the heart of some of the discussion will be about today. So the way we'll try and do that is, we'll do each of these presentations and then we'll give all of you among the board and councilmembers a chance to have discussion to ask us questions after each of these presentations. So with that, I'll go ahead and get started. One other thing, too. Just for orientation. All of you should have in your packets, copies of all these slides. And I believe there's space you can take notes, write down questions. In the columns on the right, there are some areas where there's reference to fact sheets. There's fact sheets attached to the back, following the slides and presentations, and so some portions of the presentations will reference the fact sheet that will give you additional information in detail about what we're talking about today. So in terms of water supply overview, as I mentioned, I'm going to first give you an overview of where all of the water to Santa Clara County comes from. A little bit of history and background on it. And then talk about where we stand today in terms of where we are right now, April, 2008. What is our water supply outlook for this year look like? Also then I'll talk about the long term outlook and then that will give us like I said some context of water conservation and recycling. So as the mayor mentioned, just a minute ago, it's really important to notice and to realize that about half of our water supply in Santa Clara County is imported water. That originates as Sierra snow pack, and that comes to us here in Santa Clara County through three different imported water sources. I'll talk about those more in a minute. So on a typical year, the other half of our water supply originates here locally. We capture it here in the ten local surface water reservoirs. We move and manage it around in our local distribution system. Treat it through our water treatment plants. And also, we get recycled water here locally. South Bay water recycling is the largest one of those systems. We have a total of four recycled water systems within Santa Clara County. For reference, in terms of our current water use, county-wide, in all of Santa Clara County, it's about 400,000 acre feet per year. Just under that right now. We've been hovering that just under that number for the past several years. And so fact sheet number one actually tells you a little bit more about what is an acre-foot, why do we use that measurement in water supply and so forth. In terms of our different imported water sources, the first one I'm going to cover here is the state water project. I'm sure you've probably heard a lot about this. I'm going to walk through here and just give you kind of a quick overview of how that works and how it gets water to our county. Again, it relies on snow pack from the Sierra, and that snow pack melts and flows into the rivers and the reservoirs within that system. The largest storage reservoir is Orville reservoir, located on the feather river in Northern California. 92 reservoir stores water, can be released through the Sacramento river into the delta. And then the state water projects has a large pumping plant in the south delta that can export water from the south delta, going into the south bay aqueduct, the south bay aqueduct comes through the Altamont pass, basically, brings it into the northern corner of Santa Clara County, and into the south bay system and ends at Penitencia creek. It also ties it into our local distribution system. We can move it around the county to other water treatment plants and put it into the groundwater basins through recharge. The second imported water source is the federal central valley project. It is kind of parallel in its nature to the state water project, although it has a lot more storage reservoirs up in the foothills of the Sierra Nevada but it also relies on Sierra snow pack and the runoff captures the snow in those reservoirs. The largest shown here is Shasta reservoir, up on the head waters of Sacramento river just north of Redding. So somewhat similar, captures, those reservoirs capture the runoff, release it into the Sacramento river system, that flows into the delta and like the state water project, the federal central valley project also has export pumps that pump water over the delta move it through the canals south to meet the needs there. What's a little bit different from our perspective in terms of the central valley project is that the water is moved South down to San Luis reservoir. That is the big reservoir you may have seen if you move through Pacheco pass, next to Los banos, that's next to

highway 52, San Luis reservoir, one of the largest offstream reservoirs that exist. What I mean by offstream is that it's actually not built in a river, not like Shasta or Orville. All the water that goes into that reservoir is pumped into the reservoir and originates primarily as Sierra snow pack, flows down through the rivers, through the delta, exported into San Luis reservoir. That is really important to us because that's how we receive our central valley water, comes through San Luis reservoir, essentially through pipelines in Pacheco pass. From that point we can bring it into our local distribution system. We can feed our water treatment plants, and use it to recharge our local groundwater basins. And then, a third and final -- excuse me, I've got terrible allergies, as well as asthma, and April is my worst month. So I'm going to need some water from time to time. Our third imported water source is San Francisco's Hetch-Hetchy system. This is a photograph of the Hetch-Hetchy reservoir up on the Tuolomne river in Yosemite. The Hetch-Hetchy system brings water supply to much of the Bay Area including eight water retailers in northern Santa Clara County of which the City of San José is one. This is just a photograph of the delta, and the key thing about the delta is, it's kind of like a railroad switching yard. You've got all this water from the Sierra Nevada flowing through rivers coming into the delta, and then the export pumps of both the state water project and the central valley project that then move that water South and bring it not only to our county but to much of the central valley to agriculture and to, essentially, two-thirds of the state's population. The delta, as you have heard, has a lot of problems. I'm going to talk about a few of those some more. But it's really key, and acting sort of that switch -- yes, sir. [Unable]
>> Mayor Reed: Forrest, could you get closer to the microphone?
>> Councilmember Williams: Thank you. The levees that are in question, could you point them -- are any of those levees in this photograph?
>> You can see, some of those levees here. This may not be the best photograph. I'm actually going to talk about that a little bit more.
>> Councilmember Williams: That's fine.
>> Essentially, the delta is a system of channels with levees all along those channels. So can you see some of those here along -- it's basically the interface between those channels and the adjacent agricultural lands. In some areas those levees are 20, 25 feet high, and in some areas they're not engineered levees. In many cases they were constructed years ago by farmers. They've never been properly engineered, and there's definitely a risk. I'm going to show a more dramatic photo of one in just a minute. So there are a number of problems with the delta. And so this fish that's shown right here is what's called the delta smelt. And that's been in the news and the media a lot lately. You may have heard about that. What's important right now is that it's a listed species. And there's a federal court ruling last year which essentially is restricting the operation of the state water project and federal central valley project pumps in the delta to help protect this fish. And those restrictions went into place in December. They'll be in place through the month of June this year. And the point of that is, it essentially creates more risk, more uncertainty in how the systems are operated as well as our ability to manage the water supply and be able to meet both current and our future demand. The delta smelt is not the only fish or listed species that is getting attention or has some concern and impacts on how these projects are operated. There's another one that was listed recently under the California law. It's called the long fin smelt. Has some similar concerns. More recently, there's a court ruling with regard to salmon. And so we have at least three of these fish that are all causing some concerns on how the delta is operated. So it's not just the levee problem. It's also the ecosystem. Water quality is also another concern in the delta, as well. Here's that dramatic photograph that I promised you a minute ago. This actually shows one of the levee failures. This was taken from June of 2004 in what's known as the Jones tract portion of the delta. So it doesn't take a flood in the winter time. This happened in June. Doesn't take a high tide or an extreme event like that. Doesn't even take an earthquake. This levee collapsed without any of those really acute or catastrophic -- the results were catastrophic. But what triggered it was probably something as simple as burrowing rodents. That in conjunction with not being well engineered and constructed. This caused the shut down of the state water projects for a number of days and then the water quality impacts persisted for several months following this. This is a pretty significant event.
>> Mayor Reed: Could you explain on that one, what's on the left and what's on the right? What was ag is on the right?
>> It's hard -- it's a little hard to tell from this photo. Because what's happened is the water has essentially equalized. The way it used to look is, there is water flowing behind the delta and agriculture behind those. Much of that area on the left I believe used to be actually agriculture. It is like 20, 25 feet below sea level. That's happened over a long period of time, a combination of subsidence and the peat soils, and

agricultural activities. What happens is you've got water that's significantly higher than adjacent ground. If you have water like this it blows through until the water levels essentially equalize. That's what happened in this particular substance and it took a long period of time to deal with it and pump all that water out. I think it took almost a year or something to pump all that water back out of that agricultural land and deal with some of the water quality issues that resulted. So we've been talking already about some of the risks to the delta. In addition there's aging infrastructure as well. And one of the things I want to contrast is, the delta is like -- it is essentially a piece of natural infrastructure and it needs repair. Okay. This is a vertical bar chart. It shows both our current, as well as the projected water demand. And then the supplies that are available to us. So the dashed line at the top, that shows what our water demands in Santa Clara County would be, without the effect of reduced demand from our water conservation programs. The solid blue line below that is what the actual current demand is. And then our projected demand is a the future. So if you look to the left, those numbers at the bottom there, those are the dates that project out through 2030. And I mentioned earlier, we're right under 400,000 acre feet per year. So that's where you see the top of those bar charts there. So one of the important things to point out in this slide is, you can see that there's a gap as we look into the future. That gap, even after water conservation, is over 30,000 acre feet per year. The other important point to note here, if you look at the purple, that's recycled water. So the only things that are really growing in terms of being able to meet our future water demand with supplies are additional water conservation, and additional recycled water availability. Now, we switch to the second slide. Yes.
>> Mayor Reed: Had a question for you.
>> Councilmember Chirco: On the recycled water, is that anticipating kind of projected increases up through 2010, 2015, or I can see it grows. But what percentage of increase is projected in this graph?
>> So this -- this graph is based upon what is known as the 2005 urban water management plan. I'm using that chart here today because that -- that's an official document that has legal standing. And it's something that the district and all the water retailers here in Santa Clara County must all develop and file with the state. And so the numbers that are in there are based upon the work we did back around 2004-2005 that went into that report. As we meet and talk today, we're talking about numbers that are greater than what's shown on this chart. So you'll hear that later in the presentation on recycled water. Those numbers that we're talking about today are even greater than what's shown on this chart.
>> Councilmember Chirco: Okay, thank you.
>> You're welcome.
>> Councilmember Chu: Fact sheet number 2, the chart, 11% of the water use [Inaudible] what is NGWY?
>> That's a very good question. I must admit, I'm not positive offhand. Who knows? Oh, yes, I know what that is, I just haven't seen that abbreviation. Natural groundwater yield. We just don't typically refer to it as that acronym. I can explain that real briefly. The district recharges the ground water basins with over 100,000 acre feet per year that we put back in there actively from our imported water sources and our local reservoirs. That NGWY which is just not a phrase that I use, natural groundwater yield, that's the portion of groundwater that just gets there naturally, to the related to the district's active groundwater recharge program. A certain part of it just occurs naturally. [Inaudible]
>> Correct. Okay. So I'm going to shift from -- this is a normal year, which is kind of an elusive idea. I don't know if there really is such a thing as a normal year. But maybe an average year or typical year is a better description. And if we switch now to, this is with the best information we have about the current pumping restrictions in the delta as a result of the listed species of fish that we talked about. So what's important here is that you can see those vertical bars have all dropped a little bit and the gap to meet our future demands has grown. This is not necessarily what will happen out in the year 2030. There's a lot of risk and uncertainty because the work to really figure out how to deal with those listed species of fish and to solve the problems in the delta has not yet been done. But this is based upon the best current information we have as of today. And so the point of this is that the importance of recycled water, and of water conservation, will continue to grow, even greater than it is today. Yes, sir.
>> Vice Mayor Cortese: What are your assumptions on the demand side? I mean, are you taking into account things like the San José general plan and the other 14 cities in this part of the region when you look at that? In other words, I don't know what you're -- when we do something like the North San José plan, are you factoring in that demand, when you look at demand, or are you taking more of a snapshot as to where we are right now? That's the gist of my question.

>> All of our demand projections and in fact those blue lines on the top that you see there, those are all based upon the cities, all of the cities and the counties' general plans in this county. So what the district does is, we do our best to keep up with everybody and work with you and use the best current information, looking forward into the future. So for example, North San José was something that was not in the last general plan, as those changes started to happen, then we are working on adjusting our planning in response to that. Coyote Valley which, of course, has had some more recent changes, that was in the general plan and we had included that in our water supply demand projections for a number of years. So the way we do this is to use the best current information from all of the city and the county general plans. We also ground-truth that with ABAG which does larger regional projections and do our best to more or less reconcile any differences and project that out, you know, several decades into the future the best we can.
>> Vice Mayor Cortese: So the blue line and the dotted blue line would be current as of this month, basically, is that the idea?
>> This -- again, this information came from our 2005 urban water management plan. And so again, just talking about the best current information that we have at this point, we actually have a little bit of new information that would change this slightly, just as we're getting new information that's in the news and the media on listed species of fish in the delta, that's changing the picture a little bit, as other land uses change, this picture changes a little bit as well.
>> Vice Mayor Cortese: So when you comment on something like Coyote Valley or North San José in terms of our Planning Department's requests, in other words, asking the questions about capacity water supply for new developments, and we get a report from you, say, now 2008, on the decision we're making last Tuesday, is it based on 2005 analysis or were you looking at a specific -- when you get a specific request from a Planning Department in a city, do you then update the 2005 numbers, and give them more current analysis of water supply?
>> We always do our best to work with as much of the current information as possible. In terms of what's out there officially, and has legal standing, as a result of urban water management plans, oftentimes people refer to those plans. And so that's what I'm showing you today. That's what we have. And all the water retailers within this county have filed with the state. But we do our best to keep all of our information as current as possible. The picture's changing pretty quickly, as you know. But when we comment on requests, we use the best information we have when we make those comments.
>> Vice Mayor Cortese: So I'm just asking a very specific question. I appreciate the best efforts and all that. I'm not being critical here. But when you comment on the 2008 Specific Plan, in the City of San José, are your comments based on these 2005 analytical criteria, or, simple, I'm looking for '05, or '08, or some other year?
>> It's probably a combination of those.
>> Maybe I can help. The 2005 updates are what's quote unquote legally defensible. We don't have another update until 2010 because it's done every five years. What are the other changes, sort of a combination of two things, you use those to make the assessment. But we don't do the updates yearly. So there is a little bit of sort of trying to overlap, information that we know now with the last 2005. It kind of goes together like that.
>> Vice Mayor Cortese: Appreciate that. That's what I was looking for, thank you.
>> Sorry I didn't explain those more thoroughly. Those urban water management plans are updated in a minimum of a five-year cycle. So our next one is 2010.
>> Mayor Reed: Got another question from Councilmember Chu.
>> Councilmember Chu: Do you base this on population growth instead of project by project? I understand that we're projecting the population growth in the City of San José, whether we build up in North San José or the Coyote Valley shouldn't make any differences so instead of looking at the project by project, would you -- did you make this projection based on the population growth?
>> It's actually, what creates the water demand is the combination of population growth as well as land use changes. And so land use changes could result in things like greater amount of irrigated landscape. That leads to demand. Land use changes could be industry that bring more people into the city and county, they're not residents, in the base population, but nevertheless they drink water and use water. We use computer models that try to take into account both the population as well as the specific land use changes. And in terms of the question about Coyote Valley versus North San José, just for argument's sake, if the increase in the water demand, use for purposes of illustration here, if the increase in the water demand were exactly the same, that would be more or less of a wash in the big picture, just

looking at the overall water supply. But how you actually get the water to the point where it's needed is the issue of having the right infrastructure in the right place.
>> Mayor Reed: Another question for Patrick.
>> I know that all the developments are based on projections. Suppose you know, if the Coyote Valley project in San José comes in next year, in the worst scenario, what are the options of the district, and even the City of San José, in terms of supporting or not supporting the project?
>> We have a number of options. And I think a lot of those were explored in the Coyote Valley specific plan. And some of the work that was done on it in terms of the water supply assessment. Coyote Valley right now is pretty much solely reliant on groundwater. Some of the things that were explored in terms of that specific plan when it was being discussed were the expansion of recycled water, pretty aggressive water conservation and so forth. But it would continue to rely pretty keyly on groundwater.
>> Thank you.
>> So I know I'm overtime in my presentation. We've been doing some of the questions and answers as we're moving through this. I'll keep going through this here. So FCC, when we get to the end, we want to open up so you can have discussion among yourselves. We talked about climate change a little bit. These photos here just illustrate a couple of points. One, we know that climate change is happening. And we also know that it, in the long term, it is the greatest risk and uncertainty to our water supply, and being able to meet our water demand. Global warming means warmer, dryer and longer summers that will increase demand. Loss of snow pack means loss of the largest storage reservoir we have in the Sierra Nevada. Those all have implications. We can expect more extreme, extreme events, greater droughts, greater floods, all of that creates risk and uncertainty. So in terms of our long term challenges, we have many. We've talked about climate change. We've talked about natural events like floods and earthquakes and droughts. We've talked about the importance of water conservation and water recycling. The problems in the delta, and one of the things that we have said with regard to the delta and how fixing that problem relates to say, for example, water conservation, is the delta is broken. It's like a broken pipe. If you have a broken pipe in your house, you call a plumber and you fix it. You need to fix what's broken. So that's really our theme about the delta. It's broken, it needs to be fixed. Absolutely, water conservation, and water recycling are important. But those don't fix the broken pipe. So that's one really key issue, we want to try and emphasize. And in terms of what we can do now, a lot of things we're already doing. We already have pretty much everything on this list is underway now. These things will just become more important as we move forward, and we look forward to the future and address those challenges. Getting the funding to solve some of those problems is going to be very important. There's a lot of debate about that within the state. Dealing with climate change, in the framework that we'll be operating with under AB 32 will be important. And here are some of the priorities and current focus, things we're doing now. Public outreach and information is always key. And this is the question I want to leave you with at this point and this is your time for discussion among yourselves as well as additional questions you may have, either for me or other staff who are here ready to answer any questions.
>> Mayor Reed: Thank you. I had a couple of comments based on my last trip to Sacramento, I know that senator Machado and senator cogdale are meeting on a weekly basis to talk about the basis of the water bond that the governor is trying to get on the ballot for November. Seems like everybody in Sacramento agrees that we need to do something but they haven't agreed on what the details are. But I think it's important for us to continue to just assert like, we need a water bond. We need to get it on the ballot and continue to urge our -- the senate and the assembly to move on that, just because it's going to take ten years or longer to actually implement a water bond that we might get on the ballot. But I guess based on the conversations I had with them, I'm optimistic that we'll get something but it is by no means certain. Because it is Sacramento, it's hard budget times and a lot of times, political issues get wrapped around these infrastructure issues. So I think that's an important things that needs to happen quickly. Because the decision to get it on the November ballot needs to be made not later than early August. I have worked with are other big city mayors in the state trying to get the big city mayors interested and many of them are. Because while we only get half of our water through the delta, some of the other parts of the state are closer to 100% of their water is coming through the delta, really high percentages. So all the mayors can recognize the difficulty we're going to have. The other parts of the delta that are just as bad, that one picture of the snow pack from 1985 to 2003 is just typical of what the rest of the system looks like, including the water from the Colorado river, and part of the information we got was the probability that there will be no water coming out of the Colorado river system into California,

is you know, roughly 50-50 at about ten years out under some of the scenarios. So there is a lot of potential, just because it's already 120 to 150 feet below its maximum. That creates more demand for Northern California water and Southern California water as well. Any other comments or questions, Judy?
>> Councilmember Chirco: In light of the slide that talks about the possible bond proposal and what you said we get 50% of our water but some areas get 100%, what can we do to prepare ourselves, you know, when and if this gets on the ballot so that we are ready to present proposals? I know like with the housing bond and streets and roads that we're in the best position possible with our documents, that we could be closer to the front of the line than to the back of the line. It may not be something that happens this year, but I think eventually it is going to happen because it's such a critical issue. So I think that's something that we maybe pay attention to that we have our ducks lined up, so that we would be ready to present for application, when and if this should get ready to go out to the cities and counties.
>> Mayor Reed: Do we have a process for trying to figure out collectively what would be the highest priority if there's money available under the water bond issue so that we can work on getting the engineering drawings done or whatever that is necessary, we've done that in transportation, because sometimes when you're ready to go you can get the money when nobody thought there was any money. Do we have a similar type of process or system county-wide that we can work together or is there something we need to put together between the city and the district, and determine what our water priorities are?
>> City Manager Figone: Well I think if staff has an answer, they should pop up, if not, it sounds like an excellent issue.
>> I know as a result of our collaboration together, talking about legislative priorities and what we want to do is something that is within that current scope. In terms of the specific issue of the delta, we could probably do more to really get focused on that and really be ready on that.
>> Mayor Reed: Kansen.
>> Councilmember Chu: Thank you, mayor. Many years ago I remember there was a study picking one of the three locations in the Bay Area for desalination plant. Could you give us an update on any talks, discussion or status on that?
>> I can do that now. I'll try and be brief with it. There is a regional study of potential desalinization plants in the Bay Area. It is pretty much in the pilot phase of the project right now. There's four partners. Santa Clara Valley water district, eastbound municipal utilities district, and Contra Costa districts are together right now. That project is getting ready to move to pilot level construction. And so the thought there is to build a small pilot-scale plant, get the experience of actually operating that plant, look at the water quality, the costs and so forth, and then at the conclusion of that do essentially a pilot study findings and lessons learned and so forth and use that as the basis for making decisions on where and how to build a potential full-scale larger desal plant.
>> Mayor Reed: Councilmember Williams and then Larry --
>> John Stufflebean: On the desalinization --
>> Mayor Reed: John Stufflebean our environmental services.
>> John Stufflebean: Sorry. Our plant is essentially a desalinize sayings plant. As that gets built we are actually getting experience because of that. It's cheaper to desalt wastewater, because it is lower in salt than sea water. That's how we're getting information on desalinating.
>> Councilmember Williams: The quality of the water will allow us to do the ground recharge that we would probably normally do or to use it that way. So there are still some questions about, you know, the quality of the water and what's in it and all those kinds of things. So if we're moving that way, that's the thing that we should be doing, since we're going to have a higher dependency on it. So I think that effort should be put forth to really make sure that that happens, to give the attention.
>> Mayor Reed: We're going to come back to recycled water, later, I believe. And have more specific conversations about that.
>> Councilmember Williams: All right.
>> Mayor Reed: Larry.
>> One thing before I stop, John, let's stop calling it wastewater. I understand where you're coming from. But I think we have to have us start thinking about it differently. One thing that we know that --
>> Mayor Reed: Call it opportunity water. [Laughter]
>> There you go. And we are going to have to take advantage of that opportunity over the next ten years. Because it's going to take us that long at least before we can get a good fix. That means we're

going to have this uncertainty going on for a decade. And so we're going to have to maximize what we're discussing in our next two items in order to make this possible. And one thing I want to point out, the delta vision came out yesterday, with their design plan for sea level rise in the delta. And they're talking about sea level rise up to here. 55 inches. That, you know, this to me means that the solution we come up with for our water supply probably is going to have to be different from the solution we come up with for the delta itself. They are both critical problems. This is why we need to look at not only, you know, short-term moving water through the delta, we have to figure out ways in the long run we can move it around the delta and still maintain the delta or not maintain it, improve the delta, is what it should be. So these are real challenges that we face. And we can do all the recycling we can, we can conserve all the water that we possibly can. But we cannot walk away from our water supply in the delta. These two items will not make up that difference. We need that water.
>> Mayor Reed: Other comments or questions? Rosemary.
>> Chair Kamei: I had a quick comment, following up on Councilmember Chirco's suggestion on being prepared and being ready. I think that that's immensely critical, not just for bonds but also on the educational front. One of the things, there is a perception that way back when when the whole peripheral canal came up, that it was L.A. and others who were going to be taking our water away from Northern California. Anything south of Tracy is south of the delta which includes the Santa Clara County water district and Santa Clara County. So we are part of that southern portion, that takes that water. So when we're talking to people and they start saying it's going to L.A. or Southern California, it's not just down there. It's us, as well. So there's going to be an educational component necessary to let people know that we, as Larry said, we need this water. Because even if we do as much as we can on recycled water, it's not going to be enough to cover that 50%. So I just wanted to echo what Richard was saying.
>> Mayor Reed: David.
>> Vice Mayor Cortese: Just focusing on the slide for the long term, I don't know if it was rhetorical or staff providing guidance on that. Also, I'm not clear that any of these things are mutually exclusive. Or maybe the question is, is resource in terms of economic resources, is it implied in this question, that we just aren't going to have the ability to focus our efforts on all these things? And that we need to -- we feed as policy makers to try to narrow down the focus a little bit?
>> It really is intended as a question to stimulate, encourage the discussion among all of you. We are involved in pretty much all of these. They're all important. The challenge is, we do have limited resources. And so that's part of what makes the whole current and future situation a challenge. We have a lot of problems working among ourselves and addressing these challenges is really what it's all about.
>> Mayor Reed: Could you go back to the slide that shows the gap, the water supply outlook with pumping restrictions? I haven't looked at the big water plan, since I'm not on the board. We have just our piece of it, the San José view of the water plan. But if we were to say, how do we get to where we need to be in 2030, is there a long range, a 25-year plan to make sure that we have that gap covered in 2030? Is that the plan that you guys work from? I mean, you've got your 2005 plan, but that's -- is that a long term projection? Are we still trying to figure out what that list is?
>> To answer your question, yes, there is a plan. It is work that the district does, we do our integrated water resources plan. And it gets formalized in the plan that this chart came from which is called the urban water management plan. That's the the one that's required by state law to be filed by water wholesalers, such as the district. That is based on that planning. The key thing that I was trying to emphasize in my presentation this morning is that we're constantly updating that plan with best current information and the picture is changing on both sides, on the demand side, as well as on the supply side, as well as taking care of all of our infrastructure. So that's what we're doing constantly. The importance of our partnership working together, in fact the next two items of focus for this morning, water conservation, water recycling, those are just becoming increasingly more important for our future.
>> Mayor Reed: Do other cities get involved in that? I'm not even sure we get involved in it. Going back to the transportation model where we have the VTA 2030 plan and you know, it goes through every city gets to comment on it and ultimately VTA adopts it. Is it something that you run through other cities and sort of everybody gets their allocation of what needs to be done, everybody knows we've got to do conservation so we've got to start building it into our power system? Or do you have a plan that you have to convince everybody else to follow, as opposed to having some buy-in by everybody?
>> It is very much the latter with buy-in and it's a collaborative process. We actually set up the whole stakeholder process. And we had involvement from cities, from water retailers, from interested parties. In our last cycle of our integrated water resources plan. So that's how we do it. Once that plan was

developed based upon that stakeholder collaboration and input then as part of our process we present and explain that to the water commission, the water commission has a member from the City Councils of every city within the county. So staff presented and discussed that. We got input from the water commission, as well as other advisory committees of our board. And then that formed the foundation of the urban water management plan. So those are updated on more or less a five-year cycle. And as I mentioned earlier, we're always trying to use our best current information and things that we comment on or information we share with others.
>> Mayor Reed: Then my question is for our city staff. After that's done, how does that roll into our general plan efforts? How do we take that and work with that to make sure that, as we move ahead, we're consistent with the water planning? Laurel Prevetti is here from the Planning Department.
>> Laurel Prevetti: Thank you, good morning. Laurel Prevetti, assistant director of Planning, Building, and Code Enforcement. We are going to have to work with a couple of areas in parallel. One, we're currently assessing our demand to the year 2040 in terms of planning and job growth, the water needs. So we will need to do a water supply assessment per state law. Our past practice with North San José and Coyote Valley is that we do these very collaboratively with the water district and we really do appreciate the partnership that we've developed with the district, so we look forward to doing that. While we're in the midst of our planning, we know you'll be updating your urban water management plan, and we look forward to participating there. So I think there will be opportunities for our two parallel efforts to inform each other. But I think the key is that we're in a very dynamic environment and our plans frequently changes in between these comprehensive updates. So we need to stay in contact with each other, even beyond these very formal planning processes even to account for these changes. Thank you.
>> Mayor Reed: As we go through our general planning processes, we are not going to come up with a plan that is unfeasible, we can't do and can't build because there is no water, it needs to be consistent with the water plan? Okay, good to know.
>> A couple of things. Firstly, our water plans are based on the assumption that we're going to bet our contract water from the state and federal government. We've said all along, we're not asking for more water. What we want to do is to get the water that we've contracted for from the state and from the federal government. What we need to do above that is the conservation and recycling efforts to keep up with growth over time. And we can do that. We can hit that 35, 40,000 through these programs. And so that's doable. As long as we have that base there. One thing about the city, the City of San José gets it. I mean, you're doing the right thing. You're working hard on water recycling efforts. You're working hard on conservation efforts. And your whole green policies I think are all headed in the right direction. So it's just a matter of continuing to do what we're doing, and doing more of it, and do it better.
>> Mayor Reed: Okay. Other comments or questions before we poof into the next section? We're still a little bit ahead of schedule. So that's good. Chair Kamei is going to introduce the next section.
>> Chair Kamei: Thank you. The next section is one of my favorites on water conservation. And this is an area that we're doing very, very well on. I think that we've been very, very fortunate because both the district and the city are quite aggressive when it comes to water conservation. I looked at that picture that's on the screen right now, and that was Anderson reservoir in year 4 of the drought. And it's very, very easy to forget when you have multiple years of rainfall, what it was like way back when, when there was no water. So I think that we continue to be aggressive, we've worked very, very closely with the city, and we're going to have Hussein Ashcroft talk about the water conservation.
>> Good morning. Before I start, I would like to acknowledge the people who helped me in the presentation, both from the city and district. Ali stringer from the city and also Delapeidra from the district. This is a picture of Anderson reservoir, as chair Kamei mentioned. And this is the picture that we don't want to see in the future. [Laughter]
>> And we would like to actually working together, and implementing water conservation programs, so we can see nice picture like this, it's a water wise house, water wise garden, that we'd like to see entire county, hopefully in next drought. So we can keep nice, beautiful landscape in our county, even during the drought. In my presentation I'm going to mention we, that means both city and district together, and plus our water retailers. Here you can see the county water savings from water conservation since last drought. Which was 1992, to the last drought, five years' drought, 1987 to 1992. We, and other water agencies in the state, start working on water conservation programs. And as you can see here, our savings have been increasing dramatically from 1992 to last year, 19 -- the 2007. In 2006, alone, we saved 39,000 acre feet per year. And last year, 2007, we saved 41,000 acre feet for that year. All of that, there is 20,000 acre feet in the City of San José. This is a graph showing both water use and population

in the same graph. And as you can see from 1980 through 2007, population has been increasing. And as we know, it's going to continue to increase. And the water used did not follow the same trends. This is mainly due to water conservation that we have done together in the county. The previous water use was 250 gallons of water per person per day. And now it is less than 200 gallons of water per person per day. This is not just in residential, this is the entire county, agriculture and commercial. And this one, see the water conservation has several benefits besides just saving water for water supply. Water conservation saves energy, which decreased carbon footprints and reduce greenhouse gases. Total energy savings since 1992 up to last year was 1.6 billion kilowatt-hours. Which could cover 236,000 households for one year. Just in order to look at this in more picture-wise, we, by saving energy through water conservation, blue line and purple line both combined, the total carbon dioxide we saved is like equal into 80,000 cars off of the road for one year. This is the determined savings. And for first-time, water agencies developed a report called watt to water. This is getting a lot of attention nationwide. And you can go through the details from that. And I put this report on the table down there. Our long term goal by 2030 is, saving water, 100,000 acre feet per year. Which I think the City Council understand more in MGD. It's about 10 MGD. Which out of this, about 50,000 acre feet per year is in City of San José. In order to reach this aggressive goal, the district is developing water conservation strategy plan, and the city already develop water conservation master plan. We have over 22 programs in conservation, and three different sectors. Ten in residential, ten in commercial institutional and in industrial, and two in agricultural. We have been receiving different type of award for our water conservation program. However, in 2007, we received a prestigious award from USEPA. Out of nationwide we were the only agency receiving in the state and we were the only water agency receiving in the whole nation. Conservation program in residential, we have just showing here two programs here, two examples. Water wise households, which our technician goes to individual houses, and do comprehensive sewer way, interior fixtures to outdoor landscape and conservation system. Of course, water wise systems is some of the tax programs we have thousandth the county. This is a picture showing also two of the examples of commercial and industrial and institutional water conservation programs. Rebates for water efficient technologies, this is the one of the examples, the successful examples that both the city and district working together. The city has water technology programs in areas, and the district administrate rest of the county. We do have conservation program in agriculture. Mobile lab is one of the famous ones that we go to the farms and we do irrigation evaluation for irrigation system to make them more efficient. Another one is, statewide networks that the district is maintaining and owning the network in the county, called California irrigation management information system. This is the key for developing the irrigation schedule both in landscaping and in agriculture, which is going to be very important for us for the future of water conservation, in landscape. Because we have done a lot interior water conservation and we need to do more in landscaping outside. Because the 50% total water use in the county is in the landscape. Possible policies and ordinances, this is the most cost effective ways to do the water conservation. And the new landscape ordinance by 2010, this is what the AB 1881 requires, the Department of Water resources to update the state landscape model ordinance. If you remember AB 325, it was the old, the landscape state model ordinance that was effective by 1992, now they going to revise it and it's going to be adopted by the cities and counties in January 2010. This update makes the model ordinance more efficient in water use, and hopefully, they are working on it to increase the enforcement. This was one of the situation, or the challenge that we have to enforce it in the cities and counties. The district and the city also has been working on retrofit and resell, and we are working with some other cities in the county. All our water conservation programs are public education and outreach is the key. It's very important in order to implement the water conservation successfully. We have the marketing materials that we develop and disseminate throughout the county in different languages. We do also have summer campaign, very important, and very effective that we use extensive outreach campaign, utilizing various media, radio, TV and newspaper ads each year. I think you have seen that picture maybe in TV, that water reduction requires extremes not required. Water conservation goals again by 2030, as I mentioned before, in 2007, that year we saved 41,000 acre feet, just only in water conservation for three sectors that we have, residential, commercial and agriculture. And this has increased to 100,000 acre feet per year. Again, about 10 MGD, by 2030. This is an aggressive goal and meets all the challenges that has been mentioned, the climate changes, the delta issues, the population increase, and all other things, so we need to work together, harder, more than ever. Now I would like to show you some of the questions to generate discussion among you. And then if you have any questions for me I'd be happy to answer those. Thank you.

>> Chair Kamei: Great, questions, Councilmember Chu.
>> Councilmember Chu: Thank you. On your charges, there is 41,000 acre feet per year of indoor and outdoor water consumption reduced by 41,000 acre. How do you know that 41,000 acre feet of water was actually the result of the conservation?
>> We have different ways to calculate those. Not only our agency but other agency statewide. We have the programs like such as the toilet programs, that we replace the toilets through rebate programs, and we know that if you change the toilet from 1.6 or 3.5 gallons per flush to 1, how my saving is going to be. So we actually calculate the number of toilets, the number of washing machines that saves water, the number of shower heads that's replaced in the county. Plus other programs that we have. We calculate based on those numbers. This is the hard number we calculated based on. We don't really look at the outreach programs, how much outreach was saving us.
>> Chair Kamei: Councilmember Chirco.
>> Councilmember Chirco: There's been a lot of talk about capping CO2. Has there been any talk about or even reduction in residual landfill, have there been any talks at the state level about mandatory conservation figures?
>> You're talking about water conservation?
>> Councilmember Chirco: Yes.
>> Yes, it has been talked about mandatory conservation throughout the state, different times, based on the weather, and on the situation that we had in the state. However, the agencies, like us, we usually wanted to do it volunteer basis, not mandatory. And there are some legislations that enforcing the agencies to implement water conservation programs. However, there is nothing like as a mandate to do the conservation. You know, like coming up with a specific conservation numbers. However, just recently, the governor came up with 20% reduction and that's needed some interpretation that the agency is now working with the state on that.
>> Councilmember Chirco: I remember when I was on the water commission advisory board, one statistic that stuck in my head was that the largest consumer of energy was the treatment and movement of water. So it sounds like a two-fer. We could reduce our carbon footprint, reduce the demand for water and save energy, a three-Fer. Then you were talking about the AB 1821, the landscape conservation. What is the -- can you just give a brief, what is that bill?
>> Yes. AB 325 in 1992 was the -- actually it was by the legislator to have the state model ordinance. And that, the state model ordinance give the cities and counties a way to save water in landscaping and how to schedule irrigation, what type of irrigation system you should have, what kind of planting you should have. However, because of not have enough enforcement, did not create a lot of saving in landscaping. So the new AB 1881, asking the DWR, Department of Water resources, asking to update that. Not only they updating in more efficient, like make it more requirement in terms of better efficient irrigation, but also finding the ways how they can implement it and enforce it. So that model ordinance is going supposedly to be finished by January 1st, 2009, and adopted by city and counties in 2010.
>> Councilmember Chirco: And has the water district ever thought about an incentive program for people that do a drought-tolerant landscaping?
>> Yes. We don't call it drought-tolerant. We call it, because the people, they like to hear low water use. So we have a program that, if someone replaced the high-water plants with low-water-use plants we give them rebates on that. Up to $1,000 per site residential, $10,000 per site commercial.
>> Councilmember Chirco: I was wondering about, we have a fair amount of new development going on, especially in north San José. Is there an incentive program to use, you know, drought-tolerant? Because it seems like with new construction that could create kind of a model program. And get the developers to be excited about getting some money from the water district to do a good model program.
>> I like this idea because this is something we have been working on, both the city and us. We working on this one with other cities in the county to come up with a model of the best water efficient house that you can have. And with that also I would like to emphasize, also, the most cost effective way to save water is through ordinances and policy. That's why we have been working with the city on that part, too, hopefully all the cities including the City of San José, more emphasis on ordinances.
>> Councilmember Chirco: Thank you.
>> Chair Kamei: Director Kwok and then Councilmember Williams.
>> Just following up on AB 385, most of the water is used for landscape irrigation. I just wouldn'ted if there are any efforts to look at a surveillance system or program to make sure the sprinkler heads are not busted or sometimes the sprinkler heads are spraying towards the sidewalk and into the gutters. And

also, might be in the rainy seasons, and there might be restrictions that say hey, you do not turn on your sprinkler systems when there's heavy rain. In the winter months, I see people, on a timer, where whether it rains or not, the sprinkler systems go on at a certain period of time.
>> AB 1381, is considering that too. In that kind of detail, I don't think they're going to do that. For each area, they're going to do a water budget, how much they're supposed to use and if they're using it efficiently. One other thing I'd like to mention, you know, director Kwok, that we have programs for that kind of things. We have irrigation technical assistance program, that we go through the landscape irrigation system, and we do entire irrigation system and give recommendation to the owner how they can irrigate with efficiency, and check all the irrigation systems and controller.
>> Thank you.
>> Chair Kamei: Councilmember Williams.
>> Councilmember Williams: Yes. Thank you. In terms of the supporting water efficient technologies, I think the auto controls are going to help us to a great extent. Because if we can set what the minimum standards would be for a lawn or irrigation landscaping, et cetera, it can be computer controlled, and you can set it to -- with all of the sensors we have today, you can set it so that if it rains, it doesn't come on, and so forth. In the modeling that you're going to do for like an efficient home, I think that's a good idea. To set it up to optimize the use of water. And have that as a model for others to see. And I think that technology can help us a great deal. In regards to the pumping of water, as you know, water pumps use an extraordinary amount of energy to just pump water. So efficient use of technology to allow us to have better pumps, reduce the need for energy, which we could take the opportunity there to reduce the carbon footprint, and so forth. So I really believe that we should, you know, try to look at the leveraging of technology to help us out. And so I'd be interested in that model that you're going to put together.
>> Sure.
>> Councilmember Williams: Thank you.
>> Chair Kamei: And I think we have Councilmember Pyle.
>> Councilmember Pyle: Thank you. I wanted to follow up on Councilmember Williams' comments in reference to supporting new water efficient technologies. I've wondered if we've done any worldwide comparisons, water being such a precious commodity in so many water starved countries. Certainly there are things out there. Do you have some pipeline on that information?
>> We always looking everything, everywhere. I want to assure you that our agency is a leader in Northern California, besides metropolitan water district, that we look at all the studies and researches, we do a lot of those at the water district. And I'm proud to say that the board has been supporting a lot of those, has given us money to do researches and other agencies are following us on that. As I said, this is the first time we have a report and everybody is now following to do the same thing. And we look at everybody's technology, even Europe and Asia, and we always using those for coming up with our own program.
>> Councilmember Pyle: Right. And some of our manufacturers need a little support to be directed toward more water-efficient technologies, as well. So thank you.
>> Chair Kamei: Great. Mayor.
>> Mayor Reed: Yes, can you go back to the slide that says population and water use, Santa Clara County. Just looking at that slide, it looks to me like the drought of '92. Or '89 to '92. I think that was the drought years.
>> Yes.
>> Mayor Reed: Had a lot to do with water conservation that changed patterns of behavior and stuck at least for a while. I know we're going to have another drought, I just don't know when. Maybe this year, maybe next year. And are there things that we should have on the shelf that we know public, when they're paying attention, they're more likely to do as part of the outreach? Because if we have another drought, we're going to get another drop, my guess in per capita consumption. And I think there are things that we could probably do now, but there are other things that in a drought year I think would certainly be more likely to be adopted and we should be prepared to move in that, and you guys have probably already thought about that. But I'm just curious if there are things that you think that well, we think we'll have to wait for a drought before we can propose or do something. Maybe it would be helpful to have that discussion before the drought, so we're ready to move on some policy issues at the time of a drought. I was in Las Vegas a couple of weeks ago, and if you want to put in a front yard, you can, as long as it's pink rock. [Laughter]

>> Mayor Reed: Seems to be universal now in Las Vegas. That's where they've gone in a policy level. We could never do that here but if it got as bad as it is in Las Vegas, there would be a different public sentiment. There are things we could do in a drought context than we otherwise could do.
>> Yes, we do call it order contingency plans, we talk about different water supply scenarios. So we're looking into if there's going to be drought, one year, two years, five years, long term drought, how we're going to save water and how we're going to direct people to actually save water in their houses or commercial and ag. And this is very important in our water supply plan, to make sure that we're thinking about future drought if any time happen, how we're going to start doing that. Last year, when the board called for 10% volunteer, we came up with a set of programs that we know that we can emphasize and ask the people to conserve. And we were successful. Not 10% but we were successful enough to save water.
>> Mayor Reed: The other question I have is, I don't really have a feel for where you get the most bang for the buck. I think at my house, you know, turning off the faucet while I'm brushing my teet is a good thing, I do that, it saves a couple of gallons, probably reducing my water time for my lawn by 30 seconds will save probably 100 times what I would save in brushing my teeth. If so, that seems like the place where you can save the most water, is on the landscaping side. But what are those things that you're looking at that you think should be done on the landscaping side that yet maybe the rest of us are not prepared to go there? What kinds of things do you have that you know would be effective, at saving large amounts of water, that at a policy level we need to think about because at the next drought we might have to do?
>> I would say one of the things we need to do is AB 1 outcome, the landscaping ordinance. We need the enforcement on that. I don't know how the enforcement is going to be shaping up. As I said, it is going to be finished by January 2009. How our cities and counties should think about how they're going to enforce it. There is a piece in the water agencies and cities, they're going to adopt this ordinance. Hopefully by now working together, we would come up with some ideas how we can do this. And of course, we have other programs, as well, in the landscaping that, again, the city and district working together on that is the irrigation system efficiency, updated, that we give rebates for the landscaping that they have all irrigation system and give them money for replacing to the new one and more efficient one. And also, replacing the high water use plants to the low water use plant landscaping. And again, coming back to the size of landscape, what kind of water budget are you going to have? This is the future of our work. Like we already had the program that we estimate, or actually measures the landscape area for commercial sites. And by doing so, county wide, by doing so, we have calculation that this landscape, how much water they should use if they are going to be efficient. So we are moving toward that stage that in the water bill, it should say you have to use this much water, and if you are using more than that, you should cut it back to, you know, 10%, 20%, to meet that requirement. So this is going to be a long term process. It is not going to be easy and fast to do. However, we are working toward that. There are several steps that we have been working at this from the district view. Again, going back to the policies and ordinances, I should emphasize that this is very important. Because this is the most cost effective way that we could save.
>> Mayor Reed: Do we have the ability here in the county to do I guess what has sort of been done on the energy side, peak-hour pricing, or giving them a discount if they conserve, like we had with PG&E this year, do you have that or is that possible with the arrangements with the retailers, they use, the price of water and benefits of conservation, to motivate people to change their behavior?
>> I don't really quite got your question. It means that if we have a program that using that, working together with the PG&E and other entities --
>> Mayor Reed: PG&E was just an example of how they're using pricing to change behavior. So as your water use goes up, do you pay more money? And if it goes down, you get a break?
>> Chair Kamei: That goes to the wholesalers.
>> Mayor Reed: I know the money doesn't go to the wholesalers. But do you have a program for that?
>> One of those items is that pricing for wholesaler. So they're going to have a tier pricing for wholesaler water agencies. You want to talk about that?
>> I might just add one thing, too. This is one area where electricity use and water use are two different areas. Peak area uses is a constraint, that's not so with water. Water is more the overall usage not so much peaking. There are limited areas within the county where they have a peaking problem but for the most part the kinds of things we're talking about this morning, the focus is on overall water use. And so moving to what's called an increasing block rate or increasing tiers so the more you use, the more

expensive it gets, that's very much something that wee working toward and that's a best management practice for water conservation.
>> I would just say that on the wholesale level, Hussein talked about, we're not really going to go there. I think that it's much more practical doing it at the retail level. We have talked to retailers, I know that some cities do the tiered rates. If you used more, you pay more, if you used less, you're at a lower tier. Because the water delivery goes to the consumer directly. It's easier to do. I think that the idea of peak and nonpeak is interesting. I don't know if there are any cities that have done that. I know that because water use in the summer is higher, that would be sort of the peak, instead of during the day. I think it's something that can be explored. I don't know how well it works in terms of implementing something like that. But it's certainly worth a try. On the mandatory versus nonmandatory, this last year as was mentioned we did ask for a 10% reduction. And people did pay attention. I think that 2007 was -- you know, there were shortages and people did respond. It was a tremendous education effort. You know, we joined with other Bay Area water agencies to do that jointly so that it would be cost-effective. We also worked with the city to be able to get that message out and we did get reductions. Whereas, other Bay Area water agencies did mandatory reductions, we did voluntary and it worked well. You can always go to mandatory if it's necessary but even voluntary there is a response from the people. Sam, you had a question?
>> Councilmember Liccardo: Rosemary, you really handled that area well. Given the seasonal water variations that San José has.
>> The way we operate the municipal water system and other retailers do, we pump and fill our reservoirs during offpeak hours so we can drain them during peak hours, on the energy side. But it helps, too. And the technology is there where we can monitor someone's consumption. We currently actually don't -- most -- a lot of our meters, we don't read manually, we actually have a signal where somebody drives by it. And so that technology could be used also to monitor someone's consumption during peak or off-peak hours.
>> Chair Kamei: Great, thank you. Larry.
>> Yeah, the -- one thing about conservation, for the person that conserves, they save money, as well. And also, they reduce greenhouse gases. There are four things, perhaps four areas in which we work. One is law, legislation, ordinances. And I think taking a look at the landscape ordinance and seeing if you want to make it better than the state model, and making it meaningful in San José, I think that's important. The other area would be education, to tell people, explain to people how they can save money, make the world a better place if they reduce their water consumption, and go to planting that is more desirable for that purpose. We can do it through incentives, for example, rebates on smart water controllers for landscape irrigation. I think that's important, too. What was the fourth one? That's probably enough.
>> Chair Kamei: We feed to kind of wrap up a little bit. I have Tony and then I have Councilmember Oliverio. Tony.
>> Yes, I just want to say I thought that the mayor's really on the right track. If you notice, I was -- spent the day in Sacramento yesterday, talking to the governor and everyone else on the same issues. And waiting for those folks up there, good luck! So I think, you know, conservation does work. It's not the only solution but it's something that we can do while those guys are dithering up there. And I wanted to point out that in this particular case, you know, when we had the drought, we asked for voluntary conservation, we got it, and we maintained it. The water use went up, but it went up consistent with the population. So what happened was, once we educated folks, we got it. Then we maintained that conservation. And the population went up, the water use went up, but it didn't go way beyond. And then once again people adjusted, and the water use went down, even though the water use is still going up. I think it is a tool that we can use that's effective, and dealing with irrigation is another big step. I think we can show another significant drop, if we look at any method that we can to get people both an education, any other way that we can use to get people to drop on usage, especially there. Because that's where we do have a consistent use. And we can affect that.
>> Chair Kamei: Okay. Councilmember Oliverio.
>> Councilmember Oliverio: Three comments. One was, water is scarce, and the idea of pricing it are very appropriate due to the things that we should be assessing fees or higher prices on to discourage use in a different manner. People will choose a alternative, myself, I did rocks and lavender. Solar fly, they build the intelligent sprinkler. It uses analog, uses water and soil, better use of soil. To Mayor Reed's point, if you had it on 30 seconds less, that would save a lot more water. We advocate the installation of new development of an intelligent sprinkler system.

>> Chair Kamei: Great, thank you. Next, the explanation of the recycled water.
>> Mayor Reed: Water we already have, almost as important as conservation, notwithstanding there are a few problems. I think Monsur Nasser will make a presentation.
>> Mr. Mayor, members of the council, good morning. Keith talked about how the community may be looking at a water shortage by 2030. And we just heard Hussein talking about water conservation. What I'm going to be talking about is how we can go about increasing recycled water that will also be critical in reducing our shortfall. In addition, it will have environmental benefits. My discussion will focus on three main points. What are we doing now to increase recycled water use? What do we need to do ten to 15 years from now to expand recycled water use? And lastly, a question to you is, what priorities and next steps do you want us to explore or undertake to meet our ambitious goals. I don't need to convince you, both the city and the district are on the same page when it comes to recycled water. Both have adopted similar policies. On the left is a graphic illustration of San José's green vision goal number 6. On the right is as Keith mentioned earlier, a graphic illustration of the urban management plan. The green vision has recycled water use to increase by 300% by 2022. Critical part for us to meet our goals. So where do we go from where we are to where we want to be? We continue to expand recycled water use. There is a list there by the food which is about 117 customers that are currently going to the permitting process. We have 500 customers currently on recycled water system, and we're looking at adding another 117 customers. In addition we are working on expanding and upgrading our recycled systems, adding more pump stations. Increasing awareness about recycled water and its safety. We also partnered with the water district on evaluating stream flow augmentation. We have a strong foundation to build on. The city along with its partners, the agencies, have invested to date more than $250 million. We have a system that has 110 miles of main, the storage about 9.5 million gallons and last summer we produced about 14.4 million gallons per day on average in the summer. Since 1997, the recycled water system produced 21 billion gallons. That's equivalent to what the municipal water system uses over a three-year period, that's including, it's a population of about 120,000 people and we have a large industrial base in north San José in Alviso. So that's a lot of water. I also want to acknowledge that the water district contributed about $5.5 million towards extending the silver creek pipeline. In addition over the last ten years the district has contributed more than $10 million towards reimbursement. And recently hired a consultant at the cost of $3 million for design of an advanced water treatment plan that I will be discussing later. Some of the customers we're looking at continue to extend to cooling towers, big project happening in the City of Santa Clara which is a server farm. And we estimate that about, total use about 500,000 gallons per day. In addition we're looking at car washes. We know Marin county has three car washes that uses recycled water. And on the right side is Martin Luthur King library which is already dual plumbed. Recycled water is up to the water. We're looking to hook it up to recycled water for toilet-flushing so we're very excited about that. Recycled water is new to our community. And community outreach is vital, for us to continue to expand the system. We conduct site supervisor training where we train about -- to date, we've trained about 800 site supervisors on how to deal with landscaping. In addition we recently partnered with the Guadalupe gardens projects, where residents have their own plots of land and they will be using recycled water to grow vegetables. We believe this is the first in the state, and maybe in the nation. So we are very excited about that. And we recognize that we need to work with our community for the recycled water to be successful. In order to manage, in order to increase and expand the recycled water system, we need to manage salinity. I know we talked earlier about how can we enhance the water quality. Salinity is one of them. The district now coordinates a water softener rebate, also the district is a partner on a zero salt discharge study, and in addition, part of our training to site supervisor, we give them manuals on how to deal with salinity, especially on redwood trees and other plants. Redwood trees tend to be sensitive to salinity. The city and the district also work on evaluating stream flow augmentation. We recognize, in addition to water supply benefit, benefits, it has environmental benefits. A critical component for us to increase recycled water use is working with the developers. Earlier in the discussion, North San José was mentioned, the north San José development. We preferred a water supply assessment for the North San José project. The project calls for about 30% use of recycled water. In addition to Hetch-Hetchy and groundwater. We also work with developers on dual plumbing and as I mentioned earlier, cooling use for new and existing developments. And part of our strategy is to make our system self-sufficient. So we continue to work on setting rates, so the system can -- we can pay for -- it's now currently being subsidized, and we need to maintain its fiscal health. But at the same time, the challenge is, we have to price it in such a way that it competes with potable water. So that's where, as we move forward, where we'll be going. Now, this is

what we have been doing. But to move forward, we need to do more. Back in 2003, the district and the council directed staff to look at enhancing the water quality of the recycled water system. At the same time, the district and the board and the council recognized that a long-term agreement is the most effective manner by which we can work together. Fast-forward to 2006. We provided the council and the board with three options on how we can expand recycled water. And the option that was chosen is, look at groundwater recharge. And now, in 2007, a joint committee has been formed to look into that, and I will be talking more about it. So for those of you who were not here two years ago, what are we talking about when we talk about advance water treatment? The technical name is microfiltration, reverse osmosis, with advance oxidation and ultraviolet lights. That is the only technical jargon I'll throw at you. This process takes virtually everything out of the water. It is used in desalination projects around the world. Especially in the Middle East and Saudi Arabia and Kuwait, and a lot of the gulf states that have a lot of oil but they don't have a lot of water. So they have a lot of energy to spend. In addition, recently, this year, Orange County put such a system online that currently produces 70 million gallons per day. So why should we build an advanced water treatment? For us to expand recycled water use, we need to enhance the quality of it. By enhancing the water quality, it gives us more opportunities to use it more places. It enables us to do stream flow augmentation, also expanding to other smaller cooling towers that might not have the technology to treat the water at the quality they want it now. At the same time, if we are looking ahead, and we want to use recycled water for groundwater recharge, it will give us the operational and technical experience that we need. This -- what does it cost? This information was given to you about two weeks ago, with a joint memo. Currently, the estimated cost for a 10 million gallons a day microfiltration plant is $49 million. And this is a breakdown. We'll be more than happy to answer any questions you might have later. We're proposing, and we have been working with the water district staff, to put such a plant by the water pollution control plant. We have a transmission pump station there that pumps recycled water, it's on the east side of Zenker west side of I-880. As I mentioned, the district has already invested more than $3 million in hiring a consultant to design such a project. But we need to formalize such arrangements, over at least 25 years. To show that the city and the district are committed to such approach and agreement should also be adaptable. Because we know over 25 years, a lot of issues might arise. The current committee is comprised of three members from the water district, two councilmembers, and the mayor of the City of Santa Clara. At the same time, there was interest in forming a community task force. It helps build support for expanded use and also will assist in exploring indirect potable recharge. Such approach has been done around the world. I mentioned Orange County, also in San Diego, in Georgia, Singapore and queensland, Australia. So the question I want to leave you with is, how should we move forward? And here are some of the issues that we have discussed in the presentation. Mr. Mayor.

>> Mayor Reed: Okay, thank you. Are there questions or comments on this? Patrick.

>> Thank you. I applauded the city effort in trying to come up with ways for discharge in terms of water softener. You know, one of the key principles about pollution prevention is to prevent the discharge of saltwater from the source, that is mainly from water softener. Just think that we're spending $49 million, water treatment to remove the salt. Are there any consideration by the City of San José, to prevention release of saltwater into the sewer system? Right now we're about 700 milligram of salt in recycled water. One of the principal ways to limit it is limit the discharge from the source. Is that something that the City of San José can consider to include that as part of the facilities charge, as part of the ordinance change and say hey, you know, all the saltwater, can you prohibit the discharge or limit it, the discharge into the sewer system?

>> Well, my understanding is about 50% of the water service in San José is well water. And I know Great Oaks water company for example is 100% well water. And I think the challenge that we have is, you know, how -- first of all, can we reduce the amount of -- well, to answer your question, I'm not sure if we have any program about reducing, I mean, about eliminating water softeners. I'm not aware of any such proposal on the table to eliminate it. But I know we have a watershed group that looks at point source and look and work with the community, work with the industry, on minimizing their source control. But to work with residents is a total different approach. And I believe the water district way of providing water softeners is a good approach, is how can we partner in using new technology for water softeners? There is other technology out there rather than using the salt, you can use the potassium ion. But it is costly. These systems cost in the thousands of dollars. So when you want to ban something, you need to give a resident, from our perspective, you need to give the resident another option. Because 50% still is

well water, and they might not like that well water to wash your hair and your clothes. So that I think were the challenges.
>> Thank you. I think it is going to be a great challenge and I think way back, many years ago, when we had the problem with a couplers, there was some thought about prohibiting it. But again this is going to be county and nationwide issues that need to be addressed.
>> Mayor Reed: I don't fully understand the salt and the water softener. So the salt is all coming from water softeners being put in to deal with the well water? Or is -- are there other sources besides water softeners? If we're going to spend $50 million to get rid of the salt, it seems to me a lot cheaper to prohibit or deal with the salt on the other end. Is that the only source?
>> My understanding is, again, for residential customers, there is the salt bags that they put sodium ion and they take out the calcium ion that causes hardness in the water. So residential customers, you know, are big contributor to salt. But I'm not aware of any industry, too, that contributes salt. What type of industries can contribute salt.
>> John Stufflebean: We have been looking at this issue. There are a fairly small number of industries that contribute a fairly high percentage of the salt. That we certain could as we did in the copper look in terms of more source control. In answer to your question, mayor, there is naturally occurring salt, salt added by softeners and salt added by industry. What we're looking at is a multipronged approach where we look at controlling the sources from industry, residence and water treatment.
>> Mayor Reed: There are other issues, we still needed an advance treatment plant even if we didn't have salt, is that right?
>> John Stufflebean: Yes. Certainly if we're looking at stream flow augmentation or groundwater recharge we would need to remove more than the sociologist, that's correct.
>> Mayor Reed: Councilmember Williams.
>> Councilmember Williams: Thank you, Mr. Mayor. I guess the question I had was in relationship to the potential funding. I know we're doing a master plan for the water pollution control plant. Is the funding that's recommended by the city, for the city to contribute, do we include that sort of in our master plan as our contribution to the advanced water treatment?
>> John Stufflebean: No, we have kept those separate but coordinated.
>> Councilmember Williams: That an answer to my question.
>> John Stufflebean: Maybe contrary opinion, possibly.
>> Councilmember Williams: Well, anyway -- well, I've got to study that answer a little bit more.
>> John Stufflebean: So we do have the -- the master plan is looking at strictly the plant issues.
>> Councilmember Williams: Just the plant only, okay.
>> John Stufflebean: Right. There is also the issue of funding the recycled water system and the recycled water plant. We are continuing those but they are separate efforts.
>> Councilmember Williams: The reason I was asking, would the funding that you're looking for, could it come from the existing sale of recycled water as a basis for funding the advanced recycled water treatment?
>> John Stufflebean: Yes, at this point --
>> Mayor Reed: Could you get a little closer to the microphone until we get the background noise down. This is supposed to be a Santa Clara Valley water district commercial. It didn't work out right.
>> Councilmember Williams: Didn't help us clearly.
>> John Stufflebean: At this point, all of the funds that we receive from the people who pay to use recycled water is used to operate in the day-to-day operation of the system. So that money isn't really available for a major capital project at this point. At this point all that money is used for the daily operation of the system.
>> Councilmember Williams: Okay. So if you got additional customers, would you foresee that as being a one way to help fund this thing, the advanced? I said existing customers are they adequate enough to take care of the recycled water today and if you added additional customers would that be excess revenue in terms of --
>> John Stufflebean: Yes.
>> Councilmember Williams: So that could probably, okay, I didn't mean for it to bring this kind of excitement about recycled water but hey, it's exciting. I would say -- thank you very much.
>> Mayor Reed: Finally got some interest in recycled water, excitement. Other questions, if you have them get close to the microphone. Councilmember Chu.

>> Councilmember Chu: Thank you, mayor. You know, there is definitely a growing community and business interest in expanded use of the recycled water, especially in district 4. And my staff has been working very closely with the developers, to extend the recycled water lines to their properties, you know, above and beyond, any emphasis of the ordinance. But the problem we're having with the talking with the developer is the pricing of the recycled water. My understanding, recycled water cost more than the regular city water. So when can we see a reduce of the price of the recycled water?
>> Councilmember Chu, if I understand your question, you are talking that the recycled water rates are higher than the potable water rates?
>> Councilmember Chu: If it's not higher, it's very, very close to.
>> It's about 75% of the potable rates.
>> Councilmember Chu: Do you have any plan to make it even cheaper or less than 75%?
>> That's part of the policy approach that we're going to be taking to you. Our suggestion is, if we want the system to become self-sufficient, continue investing and expanding recycled water, we need ways to collect revenues. So we would be looking at closing a little bit the gap, but still lower than potable water but closing the gap.
>> Just raise your water rates.
>> Mayor Reed: Other questions or comments? Before we move into the wrap-up session.
>> I just wanted -- you know, in terms of seeing projects tap into the recycled water line, I think that that has been very good. You know, I know mansur talked about the MLK library here and I notice here in this building the toilets are flushed with recycled water. I think that the more that's done especially in the early stages, it's just wonderful. So I'm glad to hear Councilmember Chu say that yes, in fact, that in his area, working with the developers, they're looking at promoting the recycled water in the projects. Because I think that that's one of the ways in which you can immediately see how some of the recycled water can be used. I mean stream flow augmentation, and other things are going to come down the line. But if the line is there, then certainly it makes sense to be able to tap into it. So I'm really pleased to hear that. You know, in terms of it moving forward.
>> Mayor Reed: I have a question about the size of the first phase of the advanced plant. 10 million gallons a day is less than we're already delivering. So would the 10 million be a higher quarter than what we're currently delivering but is it sufficient to actually increase the capacity of what we can deliver, or do we need to have a 20 million gallon a day plant?
>> John Stufflebean: Yes, we've spent a lot of time working with the district on how big the first plant should be. And there's a variety of factors that go into that. But we have all concluded that a 10 million gallon plant is the right size now for the first phase, recognizing that fairly soon we'll likely to be having to add on to that. But when you look at the funds available and the benefit that we can receive and the experience we will gain from operating it, we have concluded that a 10 million gallon plant is good for the first phase of the plan.
>> Mayor Reed: How do we meet the additional demand then beyond the 10 million?
>> John Stufflebean: Well the 10 million what it does is blends into the recycled water to bring the entire amount down to a certain level that is acceptable.
>> Mayor Reed: I get it.
>> Chair Kamei: Just a quick question in terms of planning the 10 million gallon plant, is it something that will be sort of packaged such that you can easily add on? Okay.
>> John Stufflebean: A major effort is, we want to make sure where we put it and how we do it, you can do a mirror image and double the size, somewhere in the future.
>> Chair Kamei: Thanks.
>> John Stufflebean: It may be if we do future plants they will be at other locations. We may build a 10 million gallon per day at the water opportunity treatment plant. Did I say that right? Additional plants might be out in the system close to where stream flow augmentation or recharge or whatever might take place.
>> Chair Kamei: Great.
>> Mayor Reed: Councilmember Williams.
>> Councilmember Williams: Yes, that was along the question I had that you are going to do a model but then there may be a possibility of, as to manage it, where it's portable and you can move it to different place wrest you might need it rather than a huge something that has to be in place at the plant or some other location.
>> John Stufflebean: Right.

>> Councilmember Williams: But I think you'll learn about as we progress, there may be some opportunities for that. One other question I had was in regards to the funding. That's the thing that worries me the most is that the funding, so that we keep going, that we're not hung up on waiting for funding. Are you saying right now that we're moving forward, we have the funding for the design, we have dollars allocated for that, and the future funding, when you say future or potential, that of that worried me that there is some worries out there in order to get that going. What and how railroad doing to make sure we're continuously progressing?
>> John Stufflebean: We are preparing to bring to T & E and to council, a program for recycled water. That is something to be discussed in the future for council. We do have the funding in place, mostly water district funding for the current advanced water recycling plant. For there on out we do have to talk about how much the developer pays, how much sewer users pay and so on. That is still to come to council.
>> Councilmember Williams: Okay. Now, as far as the Santa Clara Valley water district is concerned, have we talked to them about increasing their contribution? So that they could, you know, pay a little bit more?
>> John Stufflebean: Well --
>> Mayor Reed: All the time.
>> John Stufflebean: Yes. [Laughter]
>> And we're listening.
>> Councilmember Williams: No, I raise that, I said if we run into a difficulty, that's what I mean, that's going to impede us until we get all of the potential, if they have the resources to put it and let us move and then we pay them back, however we can work it to keep the movement going. Because if you stop, it's just really, I think it's crucial for us to get there and that's my only concern. Thank you.
>> Mayor Reed: Board member Wilson.
>> Yeah, I agree with you, Forrest. I think we have to be full partners in this. And particularly when it comes to stream flow augmentation and groundwater recharge. We have to carry our weight. We have this committee, hopefully they'll work it out, figure out something that's going to move it on. One thing, if I were king, I'd run an advanced treatment recycle line up to de Soto reservoir, for groundwater recharge and stream flow augmentation. Things could happen. We get to easily use 20 MGD there. In just that one operation. Just to replenish your groundwater basin so we don't have to run as much purple pipe, because there will be water available in the groundwater basin to pump. So it's one way to use that transmission system we have in the groundwater basin. Another observation, there's no difference in my mind between stream flow augmentation and groundwater recharge. Because we're going to recharge water in those streams, as well.
>> Mayor Reed: Other comments or questions? Board member Estremera.
>> Thank you, Mr. Mayor. Just a couple of things. I did want to thank you, especially, for creating the ad hoc joint advisory committee, and one of the things we were concerned about was that we are going to have to put off the first meeting until August. And I felt maybe today we could take advantage of, you know since everybody is here, looking to see if we could move that up. There were a few issues that we're particularly concerned about. One of which is the question of actually exporting recycled water out of the county. We're pretty concerned about that. We heard about it at a meeting that we had a few meetings ago, that the city had been approached, we were informed that the city had been approached by, I guess it was the A's, regarding the stadium in Fremont. And the use of recycled water, and you know, we started this discussion today talking about supply, and how hard it is for us to get supply. And so you can understand why we were pretty concerned about exporting supply, when we can't import enough. So we do have some issues that, including some of the issues that Forrest raised about our joint participation, financially and otherwise, in the system. And so I was concerned that we might be able to take advantage today to see if we could move the first meeting up, since it's so far off, 'til August. But I did want to take the opportunity to thank the mayor for establishing on your side the committee so we could get moving on it. Really appreciate that.
>> Mayor Reed: Well, I understood May 5th was originally a date selected but the facilitator was not available on May 5th. The question was, could we move ahead without a facilitator to stick one less person in the calendaring equation, may make it possible to get everybody on the same date with six elected officials, it is a lot of calendars to work with. But you know, that would be one thing we could certainly do, is to move ahead at least with the first meeting without the facilitator.

>> Chair Kamei: I think that meeting is really important. So I think that we should go ahead. I mean, it's nice to have the facilitator there, but I think that coming together, and you know, just sort of opening up what are some of the issues that we have, that we want to address, might be a good first step. So --
>> Mayor Reed: I don't know if that May 5th date is actually calendared on anybody's calendar yet, it was a candidate date, at least for a while. So Tony, are you saying like we should get our calendars and see if we could figure out a date?
>> That's what I was suggesting. If we could do it earlier than August, if not, that's fine. We could consider doing it on the 5th without one.
>> Mayor Reed: Why don't we get our staff to working on that, to see the availability of the calendar. We've got to get mayor Mahan into the loop as well. Although Councilmember Oliverio says he's available at 6:30 a.m. any day.
>> Or 6:30 p.m.
>> Mayor Reed: East usually busy at 6:30 p.m. Let's get our staffs on the calendar. One question I wanted to ask, I want to verify if this is true. Going into the next drought, our groundwater supplies are much better than going into our last drought. Before I give you credit for that I want to make sure that's still true but I believe that's the result of the work of this water district board to rebuild the groundwater supplies.
>> Yes, that is very much true. Groundwater basins are in the best health maybe in the last 50 or 60 years. We've been working hard to replenish them and get them to where they are. In addition to that we've been able to make other investments in water banking, water conservation, like we've talked about today, we are far better prepared for the next drought than we were for the last drought.
>> Mayor Reed: Doesn't mean it won't come. It's good to be prepared, though. Thank you for doing that.
>> Everybody is familiar to our banking efforts?
>> Mayor Reed: Joe, could you get closer to the microphone?
>> Our banking efforts down South, you're familiar with that?
>> Mayor Reed: I don't think I'm fax with it. Do you want to give us a description?
>> Somebody jump up and go through. There you go.
>> I can do kind of a quick view of that. One of the things that we worked toward was replenishing getting our local groundwater basins refilled after the last drought and be better prepared for the next drought. We recognized some time ago that there's a limit on how much water we can store here locally, both in our groundwater basins as well as in our local surface water reservoirs. So about ten years ago or so, we entered in another agreement with another water district, semi tropic water district, located in the central valley down South near bakersfield. And what we do during wet years, like we've had many of those wet years, above average wet years, we've actually banked our imported water supplies down in another agency's background water basin. And then when we get into a dry period such as last year, for example, we actually put a call on that water and brought that stored water back into this county through the state water project. And we actually did that for the first time last year. We brought a portion of that water, helped meet our needs last year and helps us be better prepared for future dry years or a prolonged drought.
>> Mayor Reed: That's good. And they will eight your phone calls, is that right? When you actually need the water, it's good to Mo.
>> You're a wise man.
>> Mayor Reed: I think we're ready to try to wrap it up. So I want to turn it over to board member chair Kamei and she'll introduce the next section.
>> Chair Kamei: Thank you mayor. John Stufflebean will summarize our next steps.
>> John Stufflebean: Give it my best shot. Please feel free to correct me if I didn't get it correct. I think we see the need to work together, that we each have our special interests but complementary in dealing with the water supply. Public education with respect to water supply, conservation and recycling, one of the really key ingredients here is to have a robust public education program. With respect to water supply, we need to focus on the delta, we need to be prepared for legislation, prepared to advocate together for legislation to protect the delta and that particularly factor in the climate change issues that as we look at how climate change is going to impact the water supply and potentially impact the delta we need to do what we can to help deal with that problem. We also heard that we should participate in looking at desalting and desalination. We know that the district is involved in what I think I heard was maybe the city ought to be a little closer connected to that, so that we're following and we can help as we can in terms of

looking at that issue more carefully to see to what extent that is part of our water future. With respect to water conservation, again, of course public education is the key and working together is the key. We should recognize there are inherent water savings when we conserve water. We get the two-fer advantage of that. We also save energy. There is discussion around the value of model ordinances, working together on policies and ordinances, for an impact on water conservation. As we look at some of the things we have in place, for example, the LEED for green building program, that has a significant water component. We need to focus our attention on landscaping and how we can use technology to make landscaping more efficient. I would mention that we are coming to T & E, transportation and environment committee in June with our water conservation plan, update on our water conservation plan. With respect to recycled water, we again I think there is a consensus that we need to move forward obviously on the expansion of recycled water and public education is again the key that we do want to try to schedule the advisory session sooner, we'll try to get a try at that, Mary Ellen, as soon as we possibly can. And we do continue to need to work together on the advanced recycled water plant, to reduce the salinity of the system. And indirect potable reuse. One thing I took away from this is as we look at salt reduction, we need to put more focus on source reduction of the salt. We'll be exploring the commercial and residential source reduction of salt and we'll try to come forward with some ideas on how we can improve that. So I guess kind of our bottom line is public education is critical and a long term collaborative effort between the city and the district is also critical. So if anybody has anything to add to that, please jump in.
>> Mayor Reed: City Manager.
>> City Manager Figone: John, you may have captured these in other categories. Two other themes I thought was important, one is to position ourselves to compete effectively for funds that come down the road through bond measures or other mechanisms, so that we really need to have technical work done to jump on that. And then the other would be to pursue other models for controlling demand, such as pricing models that we've seen emerge on the energy side if there's something that could work on the water side.
>> Chair Kamei: Anybody else? Okay, turn it back to the mayor.
>> Mayor Reed: Okay, thank you very much. I had one thing to add on the money side and being prepared. So far in discussions that I've had with people about the water bond, everybody thinks there's going to be a recycling water component to that so there should be some money. The further ahead we can get with our own arrangement, the better off we are, whenever that bond will hopefully be on the November ballot. So I think that would be sort of an even higher priority with the work we're doing with the joint committee to be prepared to get the first money out of that. I want to thank everybody for attending. We do allow an opportunity for public comment in these meetings. And the question is whether or not anybody from the public wishes to speak. We'll allow a couple of minutes for each speaker. If anybody wants to come forward. I don't think we filled out cards, because we didn't expect a large rush. So right now it looks like there's nobody wishes to speak to us. So I want to thank everybody for their participation in this great relationship that we've had between the city and the water board will continue, I'm sure. And --
>> Could I just say one thing?
>> Mayor Reed: Certainly.
>> I'm always forced to say this. But the importance of the delta, as an issue, is just absolutely critical. So you know, I've become almost religious on this. And I hope everybody here understands, I mean, when you astutely pointed out the phone call that may or may not come, you know, that's critical. But also, we have to have a functioning delta for that banked water to come. So I guess I just feel the need to do this. And I thank you very much.
>> Mayor Reed: Well, you say it's kind of religious. I got religion when I went to Sacramento and saw the reality, not the projections but the reality we are in the water and the critical importance of the delta.
>> Because as we sit here, 25 million people, we could have that earthquake that we're all taking about, 25 million people would be without water in the state of California.
>> Mayor Reed: It could happen any day as we know. Madam Chair.
>> Chair Kamei: I also wanted to conclude and thank the mayor and the City Council members and the city staff for hosting us today for our session.
>> Mayor Reed: I want to thank the staff of both the city and the Board. Because what we have here makes it look easy. And it's easy for us, but that's because staff did a lot of work getting here, getting this prepared and working together, in order to be able to have these joint efforts. So I want to thank the staff

for sticking with us for seven, eight years now, continuing to make it a success, and we'll probably eventually find out about the entertainment, and I'm sure there will be an interesting story of why we didn't get that water district commercial on when it was supposed to be on. So with that, unless there's any other comments from the board or the council, we're going to adjourn. And I'm going to adjourn the City Council meeting.
>> Chair Kamei: And I'll adjourn the Santa Clara Valley water district board. Thank you.